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Livestock and Products

EU honors U.S. request to change rules on licensing for pig meat import TRQ

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Report Highlights:

On February 25, 2005, Commission Regulation 341/2005 was published, which increased the maximum licensing quantity for the pig import TRQ into the EU from ten to twenty percent. The change to the licensing procedure was approved upon request from the U.S. Government and was implemented on March 1, 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E3]

U.S. request to change pork import TRQ licensing honored in Commission Regulation (EC) 341/2005 of February 25, 2005.

At the request of the U.S. Government, the European Commission Pig Management Committee (Pig Mancom) approved a change to the licensing system of the EU pork import TRQ. The Pig Mancom report stated: *"There was a discussion on possible amendments to Regulations 1432/94 and 1458/2003 with regard to changing the maximum quantity (currently 10 percent of quota) to which applications for import licenses must refer. Most Member States would prefer a 20 per cent of quota maximum. A proposal to alter this may be made at a later date."* This was formalized in the [Commission Regulation \(EC\) 341/2005](#), which allows individual importers to apply for 20 percent of the maximum licensing quantity for import of pigmeat into the EU, compared with 10 percent previously. This will offer significantly larger pork export opportunities to U.S. exporters.

Commission Regulation (EC) No. 1458/2003

[Commission Regulation \(EC\) No. 1458/2003](#), of August 18, 2003, regulates the administration of trade in the pig meat sector. EC 1458/2003 sets up separate TRQs for six groups of pork products, and defines the licensing system that provides access to the various TRQs. An explanation on the allocation of the quota licenses was described as follows:

Article 4

The import licences for the tariff quotas provided for in Annex I shall be subject to the following provisions:
(b) licence applications may refer to only one of the group numbers set out in Annex I to this Regulation and may relate to more than one product covered by different CN codes and originating from only one country; in such cases, all the CN codes shall be indicated in section 16 and their descriptions in section 15; for group G2, licence applications must relate to at least 20 tonnes and to a maximum of 10 % of the quantity available for the period as specified in Article 3; for the other groups, licence applications must relate to at least one tonne and to a maximum of 10 % of the quantity available for the period as specified in Article 3;

Article 5

- 1. Licence applications shall be lodged during the first seven days of the month preceding each period as specified in Article 3.*
- 2. Licence applications shall only be admissible where the applicant declares in writing that he has not submitted and undertakes not to submit any other applications during the current period for products in the same group fixed in Annex I in the Member State in which his application is submitted or in any other Member State. Where an applicant submits more than one application relating to products in the same group fixed in Annex I, all applications from that person shall be inadmissible; however, each applicant may lodge several applications for import licences for products in the same group fixed in Annex I, if these products originate in different countries.*
- 3. The applications, one each for a single country of origin, shall be submitted together to the competent authority of a Member State. They shall be considered, as regards the maximum referred to in Article 4(b) as well as application of the rule set out in subparagraph 2 of paragraph 2, as a single application.*

Background

The EU's reason for limiting the maximum quantity for import licenses to 10 percent of the quota for individual importers was meant to keep the opportunity for import into the EU under this TRQ open to a wide range of importers and exporters. However, as only a limited number of importers applied for pork import licenses to the EU, this rule systematically led to a large underfill of the total quota available, while interested exporters were limited in their export potential. While a change to 20 percent of quota maximum per application would probably still leave the TRQ underfilled unless the number of import applications increases, it will offer better export opportunities to the EU for interested pork processors.

This following table shows the change in licensing percentages of the quota maximum per product group from this new regulation.

Group	Description	EC 1458/2003	EC 341/2005
G2	Boned loins and hams, fresh, chilled or frozen	10	20
G3	Tenderloin, fresh, chilled or frozen	10	20
G4	Sausages, dry or for spreading, uncooked	10	20
G5	Other prepared or preserved meat, meat offal or blood	10	20
G6	Carcasses and half-carcasses, fresh, chilled or frozen	10	20
G7	Cuts, fresh, chilled or frozen, boned and with bone in, excluding tenderloin, presented alone	10	20

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E35018	Livestock semi-annual	01/31/2005

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